

1 DANIEL E. LUNGREN, Attorney General  
of the State of California  
2 JOEL S. PRIMES, Supervising  
Deputy Attorney General  
3 JESSICA M. AMGWERD, State Bar No. 155757  
Deputy Attorney General  
4 Office of the Attorney General  
1300 I Street, Suite 125  
5 P.O. Box 944255  
Sacramento, California 94255-2550  
6 Telephone: (916) 445-7376

7 **Attorneys for Complainant**

8  
9 BEFORE THE  
10 BOARD OF ACCOUNTANCY  
DEPARTMENT OF CONSUMER AFFAIRS  
11 STATE OF CALIFORNIA

12 In the Matter of the Petition to Revoke  
Probation Against:

13 GERALD THOMAS LUNDBLAD  
14 2201 River Plaza Drive, # 103  
15 Sacramento, California 95833

16 Certified Public Accountant  
Certificate No.: 35462

17 Respondent.

Agency Case No.: D1-96-3

**DEFAULT DECISION AND  
ORDER; DECLARATION OF  
DEPUTY ATTORNEY GENERAL  
JESSICA M. AMGWERD**

18  
19 Respondent Gerald Thomas Lundblad, CPA ("Respondent"), was served with  
20 the following: the Petition to Revoke Probation; Statement to Respondent; the Notice of  
21 Defense form as provided by Government Code sections 11503 and 11505; the former  
22 Accusation No. AC-96-3; and Stipulation, Decision and Order adopted November 6, 1996.  
23 Respondent failed to file a Notice of Defense pursuant to Government Code §11506.  
24 Respondent is in default. The default of Respondent having been duly noted, the Board of  
25 Accountancy ("Board") has determined that Respondent waived his right to a hearing to contest  
26 the merits of the Petition to Revoke Probation. Further, this Board will take action on the  
27 Petition to Revoke Probation and evidence herein without a hearing, and makes the following  
28 findings of fact:

**FINDINGS OF FACT**

1. The Petition to Revoke Probation was made and filed on September 1, 1998, by Carol Sigmann, in her official capacity as Executive Officer, Board of Accountancy, Department of Consumer Affairs, State of California.

2. On or about July 30, 1982, the Board issued Certified Public Accountant Certificate number 35462 to Respondent. The certificate expired on an unknown date prior to March 25, 1989 through October 6, 1992 due to the following:

a. The renewal fee, required by the Business and Professions Code 5070.6, was not paid.

b. Declaration of compliance with continuing education regulations was not submitted.

3. On or about October 7, 1992, said certificate was renewed through October 31, 1993. From November 1, 1993 through December 16, 1993, the certificate was expired due to the reasons set forth in paragraphs 2 a and b above. On December 17, 1993, the certificate was renewed through October 31, 1995. The certificate expired on November 1, 1995, for the reasons set forth in paragraphs 2 a and b, and currently is in a delinquent status.

4. Respondent's license was disciplined by the Board in its order dated October 4, 1996, in Case No. AC-96-3, which Stipulation, Decision and Order placed the license on probation effective November 4, 1996. The Respondent admitted the violations charged in the Accusation. (True and correct copies of the Accusation; Stipulation, Decision, and Order are attached hereto as Exhibit A and incorporated herein as though fully set forth.)

5. The Stipulation, Decision and Order provides, among other things, that Respondent's certificate is revoked, with said revocation stayed and Respondent be placed upon a three (3) year probation, on terms and conditions which include:

1. Respondent shall take and pass a Board approved ethics examination within one year from the effective date of the decision.

2. Respondent shall reimburse the Board seven thousand two hundred and thirty eight (\$7,238.00) dollars for its investigation and prosecution costs. The payment shall be made in eleven (11)

1 quarterly payments of six hundred and fifty eight  
2 (\$658.00) dollars each, the final payment being  
3 due three months before probation is scheduled to  
4 terminate.

4 4. Respondent, within 10 days of completion of the  
5 quarter, shall submit quarterly written reports to  
6 the Board on a form obtained from the Board.

6 5. Respondent shall report to and make personal  
7 appearances at meetings of the Administrative  
8 Committee at the Board's notification, provided  
9 such notification is accomplished in a timely  
10 manner.

9 6. Respondent shall cooperate fully with the Board of  
10 Accountancy, and with any of its agents or  
11 employees in their supervision and investigation  
12 of his compliance with the terms and conditions of  
13 this probation including the Board's Probation  
14 Surveillance Compliance Program.

12 11. If the Respondent violates probation in any  
13 respect, the Board, after giving Respondent notice  
14 and opportunity to be heard, may revoke probation  
15 and carry out the disciplinary order which was  
16 stayed. If an accusation or petition to revoke  
17 probation is filed against respondent during  
18 probation, the Board shall have continuing  
19 jurisdiction until the matter is final, and the period  
20 of probation shall be extended until the matter is  
21 final.<sup>1/</sup>

### 18 **DETERMINATION OF ISSUES**

19 Based on the foregoing Findings of Fact, Respondent's license is subject to  
20 discipline for gross negligence under Business and Professions Code section 5100(c) by reason  
21 of the statement of facts set forth in paragraphs 7 through 11 of the Petition to Revoke  
22 Probation.

### 23 **Failure Relating to Ethics Course**

24 6. Respondent failed to comply with the terms of his probation, thus,  
25 grounds exist for vacating the stay heretofore issued and reimposing the order of revocation of  
26 Respondent's certificate. In correspondence dated October 4, 1996, Respondent was informed  
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The paragraph numbers refer to the numbering in the Stipulation, Decision, and Order (Exhibit A, Stipulation).

1 of his responsibility to take and pass a Board approved ethics course by November 4, 1997.  
2 Respondent has not taken this course.

3 **Failure to Pay Quarterly Payments**

4 7. Grounds exist for vacating the stay heretofore issued and reimposing the  
5 order of revocation of Respondent's certificate. Respondent failed to submit his quarterly  
6 payments of \$658.00, due October 10, 1997, January 10, 1998, April 10, 1998, and July 10,  
7 1998.

8 8. The first two quarterly payments were submitted late, after multiple  
9 requests from the Board. The first payment due January 10, 1997 was not paid until March 26,  
10 1997, even though Respondent was informed of this required payment on October 4, 1996,  
11 February 6, 1997, March 6, 1997, and March 24, 1997. The second quarterly payment was due  
12 April 10, 1997, and was not paid until June 9, 1997, even though Respondent was informed that  
13 the second payment had not been received on May 2, 1997, and again on May 23, 1997.

14 **Failure to Submit Quarterly Reports**

15 9. Grounds exist for vacating the stay heretofore issued and reimposing the  
16 order of revocation of Respondent's certificate. Respondent failed to comply with the terms of  
17 his probation. Under the probation term, Respondent was to submit the quarterly written  
18 reports within ten days of completion of the quarter. Respondent has not submitted the  
19 following quarterly reports which are past due: quarter ended June 30, 1997 (due July 10,  
20 1997); quarter ended September 30, 1997 (due October 10, 1997); quarter ended December 31,  
21 1997 (due January 10, 1998); and quarter ended March 31, 1998 (due April 10, 1998); and,  
22 quarter ended June 30, 1998 (due July 10, 1998).

23 10. Respondent was notified of his failure to submit the quarterly reports. On  
24 July 17, 1997, the Board sent correspondence to Respondent informing him that the Board did  
25 not receive his quarterly report for the quarter ended June 30, 1997, and that he was in violation  
26 of probation.

27 11. The first two quarterly reports were submitted late, after multiple  
28 requests from the Board. Respondent submitted the first quarterly report for the period ended

1 December 31, 1996 (due January 10, 1997), to the Administrative Committee on March 6,  
2 1998. On February 6, 1997, Respondent was instructed to submit the past due quarterly report.  
3 The second quarterly report for the period March 31, 1997 (due on April 10, 1997), was not  
4 sent to the Board until June 9, 1997. Respondent was instructed on May 2, 1997 and May 23,  
5 1997, to submit this tardy report.<sup>2/</sup>

6 **Failure to Appear Before the Administrative Committee**

7 12. Grounds exist for vacating the stay heretofore issued and reimposing the  
8 order of revocation of Respondent's certificate. Under the terms of the probation, Respondent  
9 was required to report and make personal appearances before the Administrative Committee  
10 after being timely notified by the Board. The Board notified Respondent he was required to  
11 attend an Administrative Committee meeting on April 23, 1998, through a letter dated March  
12 17, 1998.

13 13. Despite being timely notified, Respondent failed to comply with the terms  
14 of his probation by failing to appear before the Administrative Committee for a noticed hearing  
15 held April 23, 1998.

16 **Respondent's Lack of Cooperation**

17 14. Grounds exist for vacating the stay heretofore issued and reimposing the  
18 order of revocation of Respondent's certificate. Respondent failed to comply with the terms of  
19 his probation requiring cooperation with the Board of Accountancy. This lack of cooperation  
20 includes: failure to complete the ethics course, failure to submit the required quarterly reports,  
21 failure to make costs reimbursement payments, and failure to attend the noticed Administrative  
22 Committee hearing.

23 **SUFFICIENCY OF PLEADING AND SERVICE OF PLEADING**

24 The Declaration of Deputy Attorney General Jessica M. Amgwerd, attached  
25 hereto and incorporated by reference, states that the evidence is sufficient to support the filing  
26 ///

27 \_\_\_\_\_  
28 The information in the quarterly reports is necessary to allow the Board to properly supervise Respondent's activities during probation so that the Board may properly protect the public interest.

1 of a pleading in this case and that service of the pleading on Respondent was accomplished in  
2 accordance with the California Administrative Procedure Act.

3 **LOCATION OF RECORD**

4 The record on which this Default Decision and Order is based is located at the  
5 Sacramento office of the Board of Accountancy.

6 **ORDER**

7 WHEREFORE, for the aforesaid causes, the Board of Accountancy makes its  
8 order vacating the stay and reimposing the order of revocation of Certified Public Accountant  
9 Number CPA 35462, heretofore issued to Respondent Gerald Thomas Lundblad.

10 Respondent shall not be deprived of making any further showing by way of  
11 mitigation. However, such showing must be made to the Board of Accountancy, 2000  
12 Evergreen Street, Suite 250, Sacramento, California 95815-3832, prior to the effective date of  
13 this Decision.

14 This Decision shall become effective on the 6 day of JANUARY, 1999.  
15 Executed this 7 day of DECEMBER, 1998.

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18 H.E. Mikicelsen  
19 DIANE RUBIN H.E. MIKICELSEN  
20 Board ~~President~~ VICE PRESIDENT  
21 Board of Accountancy  
22 Department of Consumer Affairs  
23 State of California  
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7 **Attorneys for Complainant**

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9 BEFORE THE  
BOARD OF ACCOUNTANCY  
DEPARTMENT OF CONSUMER AFFAIRS  
10 STATE OF CALIFORNIA

11 In the Matter of the Petition to Revoke  
Probation Against:

12 GERALD THOMAS LUNDBLAD  
13 2201 River Plaza Drive, # 103  
14 Sacramento, California 95833

15 Certified Public Accountant  
Certificate No.: 35462

16 Respondent.  
17

Agency Case No.: D1-96-3

**DECLARATION OF  
DEPUTY ATTORNEY GENERAL  
JESSICA M. AMGWERD  
REGARDING SUFFICIENCY AND  
SERVICE OF PETITION TO  
REVOKE PROBATION**

18 I, JESSICA M. AMGWERD, declare:

19 1. I am a Deputy Attorney General employed by the State of California,  
20 Department of Justice. My business address is 1300 "I" Street, Suite 125, Sacramento,  
21 California 95814. I am one of the attorneys of record for Complainant in this proceeding.

22 2. I have reviewed the evidence in this case and find it legally sufficient to  
23 support the pleading filed in this matter.

24 3. Gerald Thomas Lundblad (hereinafter "Respondent"), has been a  
25 licensee of the Board of Accountancy (hereinafter "Board") and was issued Certificate No.  
26 CPA No. 35462 on July 30, 1982. The certificate is currently in a delinquent status, and has  
27 not been renewed. The address of record on file with the Board for Respondent is 2201 River  
28 Plaza Drive, # 103, Sacramento, California 95833.

1                   4.     On April 15, 1996, Accusation No. AC-96-3 was filed by the Board  
2 against Respondent. Thereafter Respondent entered into a Stipulation, Decision, and Order,  
3 placing him on probation. Respondent has violated various provisions in said Stipulation,  
4 Decision, and Order. Thus, on September 1, 1998, the Board filed the Petition to Revoke  
5 Probation, Agency Case No. D1-96-3. On September 9, 1998, at my direction, the Petition  
6 together with supporting papers and information, was sent via first class and certified mail,  
7 Number P967 853 774, to Gerald Thomas Lundblad, 2201 River Plaza Drive, # 103,  
8 Sacramento, California 95833.

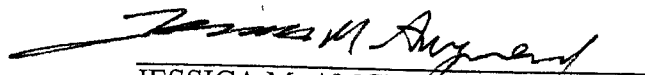
9                   5.     A receipt for the packet sent by certified mail was received by this office.  
10 Said receipt indicated the Petition to Revoke Probation packet was received and signed on  
11 September 10, 1998. The packet sent by first class mail has not been returned and is presumed  
12 to have been received.

13                  6.     No response to these mailings has been received by this office, nor has a  
14 Notice of Defense been filed by Respondent. Per Government Code section 11506, a  
15 Respondent has fifteen (15) days after receiving a copy of the Accusation to respond; if  
16 Respondent fails to do so, Respondent waives the right to a hearing.

17                         Furthermore, pursuant to Government Code section 11505(c), service is  
18 effective when the Accusation is mailed to the licensee at the last address filed with the Board,  
19 whether or not the licensee has actual knowledge of the Accusation. In this case, Respondent  
20 failed to respond to the Accusation within fifteen (15) days of mailing, or at any other time.

21                         The statements contained herein are based upon my personal knowledge and, if  
22 called as a witness in this matter, I could and would testify competently thereto. I declare under  
23 penalty of perjury under the laws of the State of California that the foregoing is true and  
24 correct. Executed this 2 day of November, 1998, at Sacramento, California.

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JESSICA M. AMGWERD  
Deputy Attorney General

1 DANIEL E. LUNGREN, Attorney General  
of the State of California  
2 JOEL S. PRIMES  
Supervising Deputy Attorney General  
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5 Sacramento, California 94244-2550  
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7 Attorneys for Complainant  
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9 BEFORE THE  
10 BOARD OF ACCOUNTANCY  
DEPARTMENT OF CONSUMER AFFAIRS  
11 STATE OF CALIFORNIA

12 In the Matter of the Accusation Against:

13 GERALD THOMAS LUNDBLAD  
2201 River Plaza Dr. #103  
14 Sacramento, CA 95833

15 Certified Public Accountant Certificate No.  
35462

16 Respondent.  
17

NO. D1-96-3

PETITION TO REVOKE  
PROBATION

18  
19 CAROL SIGMANN alleges:

20 1. Complainant, Carol Sigmann, is the Executive Officer of the California  
21 State Board of Accountancy (hereinafter the "Board") and brings this petition solely in her  
22 official capacity.

23 LICENSE HISTORY AND DISCIPLINARY HISTORY

24 2. On or about July 30, 1982, the Board issued Certified Public Accountant  
25 certificate number CPA 35462 to Gerald Thomas Lundblad (hereinafter "respondent"). The

26 ///

27 ///

1 certificate expired on an unknown date prior to March 25, 1989 through October 6, 1992 due to  
2 the following:

3 a) The renewal fee, required by the Business and Professions Code  
4 5070.6, was not paid.

5 b) Declaration of compliance with continuing education  
6 regulations was not submitted.

6 3. On or about October 7, 1992, said certificate was renewed through  
7 October 31, 1993. From November 1, 1993 through December 16, 1993, the certificate was  
8 expired due to the reasons set forth in paragraphs 2 a) and b). On December 17, 1993, the  
9 certificate was renewed through October 31, 1995. The certificate expired on November 1, 1995,  
10 for the reasons set forth in paragraphs 2 a) and b), currently, is in a delinquent status.

11 4. Respondent's license was disciplined by the Board in its order dated  
12 October 4, 1996, in case no. AC-96-3, which Stipulation, Decision and Order placed the license  
13 on probation effective November 4, 1996. The Respondent admitted the violations charged in  
14 the accusation. (True and correct copies of the Accusation; Stipulation, Decision, and Order are  
15 attached hereto as Exhibit A and incorporated herein as though fully set forth.)

16 5. The Stipulation, Decision and Order provides, among other things, that  
17 Respondent's certificate is revoked, with said revocation stayed and Respondent be placed upon a  
18 three (3) year probation, on terms and conditions which include:

19 1. Respondent shall take and pass a Board approved ethics  
20 examination within one year from the effective date of the  
21 decision.

22 2. Respondent shall reimburse the Board seven thousand two  
23 hundred and thirty eight (\$7,238.00) dollars for its investigation  
24 and prosecution costs. The payment shall be made in eleven (11)  
25 quarterly payments of six hundred and fifty eight (\$658.00) dollars  
26 each, the final payment being due three months before probation is  
27 scheduled to terminate.

28 4. Respondent, within 10 days of completion of the quarter, shall  
29 submit quarterly written reports to the Board on a form obtained  
30 from the Board.

31 ///

1 5. Respondent shall report to and make personal appearances at  
2 meetings of the Administrative Committee at the board's  
3 notification, provided such notification is accomplished in a timely  
4 manner.

5 6. Respondent shall cooperate fully with the Board of  
6 Accountancy, and with any of its agents or employees in their  
7 supervision and investigation of his compliance with the terms and  
8 conditions of this probation including the Board's Probation  
9 Surveillance Compliance Program.  
10 ...

11 11. If the Respondent violates probation in any respect, the Board,  
12 after giving Respondent notice and opportunity to be heard, may  
13 revoke probation and carry out the disciplinary order which was  
14 stayed. If an accusation or petition to revoke probation is filed  
15 against respondent during probation, the Board shall have  
16 continuing jurisdiction until the matter is final, and the period of  
17 probation shall be extended until the matter is final.<sup>1/</sup>

#### 18 STATUTES AND REGULATIONS

19 6. California Business and Professions Code ("Code") Section 5100 provides  
20 that the Board may revoke, suspend or refuse to renew any permit or certificate issued by the  
21 Board, or may censure the holder of any such permit or certificate.

22 Pursuant to section 118(b) of the Code, the suspension, expiration, or forfeiture by  
23 operation of law of a license issued by the Board shall not, during any period within which it  
24 may be renewed, restored, reissued or reinstated, deprive the Board of its authority to institute or  
25 continue a disciplinary proceeding against the licensee upon any ground provided by law or to  
26 enter an order suspending or revoking the license or otherwise taking disciplinary action against  
27 the licensee on any such ground.

Section 5070.6 of the Code provides that an expired permit may be renewed at  
any time within five years after its expiration upon compliance with certain requirements.

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1. The paragraph numbers used refer to the numbering in the Stipulation, Decision, and  
Order (Exhibit A, Stipulation).

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1                    Additionally, the first 2 quarterly reports were submitted late, after multiple  
2 requests from the Board. The first quarterly report for the period ended December 31, 1996, due  
3 January 10, 1997, was not given to the Administrative Committee until March 6, 1998. On  
4 February 6, 1997, respondent was instructed to submit the past due quarterly report. The second  
5 quarterly report for the period March 31, 1997, due on April 10, 1997, was not sent to the Board  
6 until June 9, 1997. Respondent was instructed on May 2, 1997 and May 23, 1997, to submit this  
7 tardy report.<sup>2/</sup>

8                    10.     Grounds exist for vacating the stay heretofore issued and reimposing the  
9 order of revocation of respondent's certificate. Under the terms of the probation, respondent was  
10 required to report and make personal appearances at meetings of the Administrative Committee  
11 at the Board's notification, upon timely notification. Respondent failed to comply with the terms  
12 of his probation in that he did not appear before the Administrative Committee for a noticed  
13 hearing held April 23, 1998. Correspondence dated March 17, 1998 notified respondent of this  
14 hearing.

15                    11.     Grounds exist for vacating the stay heretofore issued and reimposing the  
16 order of revocation of respondent's certificate. Respondent failed to comply with the terms of his  
17 probation requiring cooperation with the Board of Accountancy. This lack of cooperation  
18 includes: failure to complete the ethics course, failure to submit the required quarterly reports,  
19 failure to make costs reimbursement payments, and failure to attend the noticed Administrative  
20 Committee hearing.

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26                    2.     The information in the quarterly reports is necessary to allow the Board to properly  
27 supervise respondent's activities during probation so that the Board may properly protect the  
public interest.

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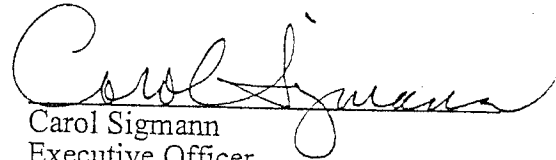
PRAYER

WHEREFORE, the complainant requests that a hearing be held on the matters herein alleged, and that following said hearing, the Board issue a decision:

1. Vacating the stay and reimposing the order of revocation of Certified Public Accountant Number CPA 35462, heretofore issued to respondent Gerald Thomas Lundblad;

2. Taking such other and further action as the Board deems proper.

DATED: September 1, 1998



Carol Sigmann  
Executive Officer  
Board of Accountancy  
Department of Consumer Affairs  
State of California

Complainant

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1 DANIEL E. LUNGREN, Attorney General  
2 of the State of California  
3 JOEL S. PRIMES  
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10 Telephone: (916) 324-5338

11 Attorneys for Complainant

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BEFORE THE  
BOARD OF ACCOUNTANCY  
DEPARTMENT OF CONSUMER AFFAIRS  
STATE OF CALIFORNIA

In the Matter of the Accusation  
Against:

No. AC-96-3

GERALD THOMAS LUNDBLAD  
2201 River Plaza Dr., #103  
Sacramento, CA 95833

STIPULATION, DECISION  
AND ORDER

Certified Public Accountant  
Certificate No. 35462.

Respondent.

IT IS STIPULATED AS FOLLOWS:

1. On or about July 30, 1982, respondent Gerald Thomas Lundblad (hereinafter "respondent") was issued Certified Public Accountant Certificate No. 35462 under the laws of the State of California. The certificate was expired during the period from on or about November 1, 1987 through on or about October 6, 1992, was renewed on or about October 7, 1992, expired on or about November 1, 1993, was renewed from on or about December 17, 1993

///

1 through on or about October 31, 1995, expired November 1, 1995,  
2 and has not been renewed.

3           2. On or about April 15, 1996, an Accusation bearing  
4 number AC-96-3 was filed by Carol Sigmann, Executive Officer of  
5 the Board of Accountancy of the State of California, in her  
6 official capacity as such. The Accusation alleged causes for  
7 disciplinary action against respondent Lundblad, and the  
8 Accusation is incorporated herein by reference as though fully  
9 set forth at this point. Respondent was duly and properly served  
10 with Accusation number AC-96-3 by certified mail, and respondent  
11 filed a timely notice of defense requesting a hearing on the  
12 charges contained in the Accusation.

13           3. Respondent Lundblad has decided to represent  
14 himself in this proceeding. Respondent is fully aware of the  
15 charges and allegations of violations of the California Business  
16 and Professions Code alleged in Accusation number AC-96-3 and is  
17 fully aware of his rights under the Administrative Procedure Act  
18 of the State of California, including his rights to a formal  
19 hearing and opportunity to defend against the charges contained  
20 therein, and reconsideration and appeal of any adverse decision  
21 that might be rendered following said hearing. Respondent  
22 knowingly and intelligently waives his rights to a hearing,  
23 reconsideration, appeal, and to any and all other rights which  
24 may be accorded him pursuant to the Administrative Procedure Act  
25 regarding the charges contained in Accusation number AC-96-3  
26 subject, however, to the provisions of paragraph 6 herein.  
27 ///

1 4. Respondent Lundblad admits that the following is  
2 true:

3 A. Commencing in or about 1985, respondent agreed to  
4 provide the annual returns, form 990, for the Sacramento District  
5 Dental Society.

6 B(1). Respondent was grossly negligent in the  
7 performance of public accountancy in violation of Business and  
8 Professions Code section 5100, subdivision (c), in that he failed  
9 to prepare the returns for 1989, 1990, 1991 and 1992.

10 B(2). Respondent was dishonest in the performance of  
11 public accountancy in violation of Business and Professions Code  
12 section 5100, subdivision (c), in that he repeatedly assured his  
13 client that levies by the Internal Revenue Service in 1991 and  
14 1992 were the result of an incorrect tax identification number  
15 when, in truth and in fact, respondent knew that the levies were  
16 the result of a failure to file payroll tax returns and year end  
17 forms 990 for those periods.

18 C. Commencing in or about May 1993, the Sacramento  
19 District Dental Society made numerous requests to respondent for  
20 their records. Until on or about December 30, 1993, respondent  
21 failed to return any of the records. On or about December 30,  
22 1993, respondent returned some records, but thereafter failed to  
23 return any additional records. Respondent's conduct violated  
24 Business and Professions Code section 5100, subdivision (f), of  
25 the Code together with section 5037, subdivision (b), of the Code  
26 and section 68 of Title 16 of the California Code of Regulations.  
27 ///

1 D(1). During the period from on or about November 1,  
2 1987 to on or about October 12, 1992, respondent's certified  
3 public accountant certificate was expired.

4 D(2). During this period, respondent engaged in the  
5 practice of public accountancy without having a valid certificate  
6 in violation of Business and Professions Code section 5100,  
7 subdivision (f), together with section 5050 of the Code.

8 5. Pursuant to the admissions in paragraph 4  
9 hereinabove, respondent Lundblad admits that his certified public  
10 accountant certificate is subject to disciplinary action.

11 6. In the event that this Stipulation, Decision and  
12 Order is not adopted by the Board of Accountancy of the State of  
13 California, the stipulations and characterizations of law and  
14 fact made by all parties herein shall be null, void, and  
15 inadmissible in any proceeding involving the parties to it.  
16 Respondent acknowledges that he shall not be permitted to  
17 withdraw from this stipulation unless it is rejected by the Board  
18 of Accountancy. A signed facsimile (FAX) of this stipulation  
19 shall be as binding as the original.

20 WHEREFORE, it is stipulated that the Board of  
21 Accountancy may issue the following decision and order:

22 Certified public accountant's certificate number 35462  
23 issued to respondent Gerald Thomas Lundblad is hereby revoked,  
24 provided, however, that said revocation shall be stayed and  
25 respondent shall be placed upon probation for a period of three  
26 (3) years upon the following terms and conditions:  
27 ///

1           1. Respondent shall take and pass a Board approved  
2 ethics examination within one year from the effective date of the  
3 decision.

4           2. Respondent shall reimburse the Board seven thousand  
5 two hundred and thirty eight (\$7,238.00) dollars for its  
6 investigation and prosecution costs. The payment shall be made  
7 in eleven (11) quarterly payments of six hundred and fifty eight  
8 (\$658.00) dollars each, the final payment being due three months  
9 before probation is scheduled to terminate.

10          3. Respondent shall obey all federal, California,  
11 other states' and local laws, including those rules relating to  
12 the practice of public accountancy in California.

13          4. Respondent, within 10 days of completion of the  
14 quarter, shall submit quarterly written reports to the Board on a  
15 form obtained from the Board.

16          5. Respondent shall report to and make personal  
17 appearances at meetings of the Administrative Committee at the  
18 Board's notification, provided such notification is accomplished  
19 in a timely manner.

20          6. Respondent shall cooperate fully with the Board of  
21 Accountancy, and with any of its agents or employees in their  
22 supervision and investigation of his compliance with the terms  
23 and conditions of this probation including the Board's Probation  
24 Surveillance Compliance Program.

25          7. Respondent shall be subject to, and shall permit, a  
26 practice investigation of the respondent's professional practice.  
27 Such a practice investigation shall be conducted by

1 representatives of the Board whenever designated by the  
2 Administrative Committee, provided notification to respondent of  
3 such an investigation is accomplished in a timely manner.

4 8. Respondent shall comply with all final orders  
5 resulting from citations issued by the Board of Accountancy.

6 9. In the event respondent should leave California to  
7 reside or practice outside this state, respondent must notify the  
8 Board in writing of the dates of departure and return. Periods  
9 of non-California residency or practice outside the state shall  
10 not apply to reduction of the probationary period.

11 10. In the event the respondent fails to satisfactorily  
12 complete any provision of the order of probation, which failure  
13 results in the cessation of practice, all other provisions of  
14 probation other than the quarterly report requirements,  
15 examination requirements, education requirements, and  
16 Administrative Committee appearances, shall be held in abeyance  
17 until respondent is permitted to resume practice. All provisions  
18 of probation shall recommence on the effective date of resumption  
19 of practice. Periods of cessation of practice will not apply to  
20 the reduction of the probationary period.

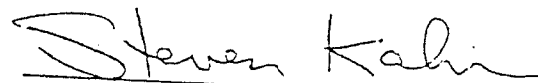
21 11. If respondent violates probation in any respect,  
22 the Board, after giving respondent notice and opportunity to be  
23 heard, may revoke probation and carry out the disciplinary order  
24 which was stayed. If an accusation or a petition to revoke  
25 probation is filed against respondent during probation, the Board  
26 shall have continuing jurisdiction until the matter is final, and  
27 ///

1 the period of probation shall be extended until the matter is  
2 final.

3 12. Upon successful completion of probation,  
4 respondent's license will be fully restored.

5 DATED: August 16, 1996 .

6  
7 DANIEL E. LUNGREN, Attorney General  
of the State of California  
8 STEVEN M. KAHN  
Deputy Attorney General

9  
10 


11 STEVEN M. KAHN  
12 Deputy Attorney General

13 Attorneys for Complainant

14 I HAVE READ the Stipulation, Decision and Order. I  
15 understand I have the right to a hearing on the charges contained  
16 in the Accusation, the right to cross-examine witnesses, and the  
17 right to introduce evidence in mitigation. I knowingly and  
18 intelligently waive all of these rights, and understand that by  
19 signing this stipulation, I am permitting the Board of  
20 Accountancy to impose discipline against my certificate. I also  
21 understand that once I sign this stipulation, I shall not be  
22 permitted to withdraw from it unless it is rejected by the Board  
23 of Accountancy. I understand the terms and ramifications of the  
24 Stipulation, Decision and Order, and agree to be bound by its  
25 terms.

26 DATED:

27 Aug 13 1996

  
GERALD THOMAS LUNDBLAD  
Respondent

DECISION AND ORDER

The foregoing is adopted as the Decision of the Board of Accountancy in this matter and shall become effective on the 4th day of November 1996.

IT IS SO ORDERED this 4th day of October 1996.

BOARD OF ACCOUNTANCY  
DEPARTMENT OF CONSUMER AFFAIRS  
STATE OF CALIFORNIA

By *Robert J. Smith*